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Son of Mini

BL Metro to bow this fall

British Leyland plans to introduce its new Metro next October. A successor to the legendary Mini, it is about the same size and weight as the Volkswagen Polo. A transverse-mounted, four-cylinder engine with aluminum head and overhead cam drives the front wheels. A three-cylinder version is planned for later. Story on Page 20.

Woes bedevil NADA meeting, but its leaders are optimistic

By Robert M. Lienert
Editor

NEW ORLEANS. — A continuing energy crunch, a sluggish market, unchecked inflation and general money problems dominated formal sessions and informal discussions as NADA delegates opened their 63rd convention and exposition here.

Despite the looming presence of these issues, NADA leaders remained optimistic that solutions can be found, that a market upturn lies ahead.

Energy won't go away as a convention topic. Since the 1974 meeting, it has been at the forefront at these annual NADA gatherings. In some ways, it seems like a perpetual TV rerun.

This year, it is more dominant than ever. At the convention's opening session, a 10-minute film devoted to energy set the tone for the entire affair.

The energy issue seems particularly timely this year, as concern appears to mount in Washington. Although Congress continues to fumble, the Energy Department has unveiled a plan for conservation. Although it is a stand-by plan, it has teeth.

• In his keynote address Saturday afternoon, Chrysler Chairman Lee A. Iacocca also stressed the energy problem as one of the prime roadblocks confronting the industry and the nation.

He enumerated the problems as "(1) energy policy, or our lack of one; (2) double-digit inflation as a way of life; (3) excessive regulatory red tape; (4) the demise of invention and decline of productivity; (5) the runaway and unfair impact of imports; (6) tax policies that do not respond to problems or needs; and (7) jobs and the resources training that must go with new ones."

An eighth problem, he said, is "the general malaise that comes from (1) through (7) or the divisions we begin to develop as we argue. All of these problems are interrelated and unresolved."

In response to these daunting problems, Iacocca said, "we need to work together and help each other solve the problems that we all suffer as we in the 1980s. The natural thing we need to do is work to establish a new partnership with the government."

Early registrations for this year's convention indicate that attendance may fall a bit from last year's turnout in Las Vegas. Pre-registrations at mid-week last week stood at 2,800 dealers, compared with 3,600 at the corresponding point a year ago.

An NADA spokesman said this indicated the final total would be about 12,000, compared with 15,000 last year. New Orleans traditionally has a heavy over-the-counter registration of delegates.

In a "first" at this year's convention, there will be a special gathering of women dealers.

More than 50 of the 300 women involved in the nation's new-car and new-truck sales were expected to attend a special breakfast session.

Betty Rivera, president of American Toyota, Albuquerque, and Robert Burd chairman of the NADA Business Management Committee and a Volkswagen dealer in Washington, N. J., hosted the event, entitled: Woman—Working and Winning.

William C. Doenges, who will turn over the president's gavel to George S. Irvin on Tuesday afternoon is expected to sum the year's achievements of NADA and its members.

"It was a tough year," Doenges told AUTOMOTIVE NEWS as the convention prepared to open. "In spring, we'll have good momentum going on sales, but

Continued on Page 188, Col. 1

MIT experiments show it can cause cancer, birth defects

Diesel soot called health hazard

By A. S. Plotkin
Special Correspondent

CAMBRIDGE, Mass. — Chemicals in the soot spewed out by diesel engines produce mutations in human cells that could cause birth defects as well as cancer, according to experiments at the Massachusetts Institute of Technology.

The tests, that the diesel engine, with its economical power plant, may turn out to be a health hazard. It also could prompt corporate planners at Detroit automakers, seeking to stretch the available supply of fuel.

Results of the experiments at MIT come at a time when EPA is deciding whether big-scale production of diesel-powered cars will be encouraged in the United States.

Marilyn Chase, speaking for EPA in Washington, said: "We will be finalizing those diesel pollutant regulations between the second and third week of February. We have been giving [illegible] to come [illegible] and we're now looking at the above-ceiling potential."

Diesel engine proponents, of course, say that "particulates," as chemists describe soot, are to be found in the exhaust of every 1,000 miles driven.

But auto makers claim that if EPA set very strict standards limiting this emission, they will be unable to meet them and that, hence, the diesel—at least as an automobile engine—may be dead.

The MIT experiments, using mammalian cells, were done on behalf of a large research program set up by the U. S. Department of Energy. They were carried out by the "Ames test," developed by Bruce Ames, chemist in the [illegible] cancer, mutation or birth defects.

Ames said, quite specifically, that the soot from diesel engines damage [illegible] cells of mammals. He added that there may be real health problems associated with exposure to diesel exhaust.

But the researchers involved in the work cautioned, however, that it is difficult to relate such findings directly to human health problems, even though it does serve a warning that the problem needs further investigation.

Nor can the researchers say for sure whether these chemicals, carried in airborne soot, are actually deposited in the human lungs, although many experts suspect that they do indeed find their way into lung tissues.

Said Prof. William G. Thilly: "It is mutagenic to human cells, and this means we should consider it a potential hazard for humans." Thilly is an associate professor of nutrition and food science at MIT.

General Motors, the biggest producer of diesel engines in the U. S., is currently turning out diesel-powered cars at a rate of 300,000 units per year. GM's Oldsmobile division is now working on a new diesel engine plant at Lansing.

GM has said it hopes to produce up to 30 percent of its cars with diesel-powered engines in three or four years. It received a federal green light on the fuel-saving matter.

The most popular small diesel

Continued on Page [illegible]

breaking news

Dodge K-car to be named Aries

DETROIT.—Chrysler Corp. has settled on Aries as the name for its '81 front-drive K-car. The name, derived from astrology, carries with it connotations of youthfulness which tie into Dodge's overall theme of total, youthful performance. No name has been selected for the Chrysler-Plymouth version yet.

Ford confirms Escort and Lynx names

DEARBORN.—Ford Motor Co. last week confirmed that the names Ford Escort and Mercury Lynx will be used for the front-wheel-drive small cars that will replace Pinto and Bobcat for the '81 model year. The cars have carried the code name "Erika." Ford said they will be its first "world cars" produced with the company's technology of the 1980s.

'El' startup set for 'domestic LUV'

DETROIT — General Motors will begin production of a new line of fuel-efficient compact pickup trucks late in the summer of 1981 at a new GM Assembly Division plant now [illegible] in Shreveport, La. The trucks, similar to the imported Chevrolet LUV, will be built [illegible] on the old

[illegible] Page [illegible]

Rikess to represent Quality Dealer winners

NEW ORLEANS.—Edward R. Rikess, president of Southview Chevrolet Co., Inver Grove Heights, Minn., has been selected as the 1980 National Representative for the Time Magazine Quality Dealer Award (TMQDA) program.

Edward R. Rikess

Rikess will serve as official national spokesman during the year for all 70 winners of 1980 TMQA honors.

Rikess and the other 69 winners were chosen by a panel of faculty members from the University of Michigan Graduate School of Business Administration, on the basis of such qualities as customer loyalty and opinion, and business success and ethics, as well as contributions to the industry, the community, politics, religion and education.

This is the 11th year of Time's sponsorship of the TMQDA program in cooperation with NADA. Announcement of Rikess' selection as the National Representative climaxed TMQDA award ceremonies at the opening session of the annual NADA convention here.

The judges, who selected the 70 TMQDA winners, chose Rikess as one of 10 Regional Representatives on the basis of

Continued on Page 168, Col. 1

But imports take biggest share ever—56.3 percent

U. K. new-car sales hit record in '79

By Richard Feast
Staff Correspondent

LONDON. — New-car sales in the United Kingdom reached a record 1.72 million last year, more than 3 percent higher than the previous record year of 1973 and nearly 8 percent more than in 1978.

The 1979 figure is likely to stand for several years. Most forecasters expect the early '80s to be tough for car makers. The latest report from the publication, The Economist, predicted a fall of 10.5 percent to 1.53 million sales in 1980.

The Economist also forecast a 14-percent decline in output from UK factories to 950,000 and a rise in imported-car registrations to 60 percent of the market.

In 1979, imports accounted for an unprecedented 56.3 percent of all sales. Given the larger market, that amounted to an expansion rate of 23 percent, while sales of domestic-made cars went down by 7 percent.

Long strikes by Talbot (formerly Chrysler) and Vauxhall employes, and numerous stoppages at BL (British Leyland) plants contributed to the picture. So did transport and engineering union disputes outside the motor industry.

• Ford emerged firmly in the No. 1 slot, with 28.3 percent of all sales, compared with 24.6 percent the previous year. Ford sold 485,559 cars, with its Cortina and Escort sedans comfortably at the top of the list of individual best sellers.

But Ford was also the main importer of cars, and nearly half its registrations were of cars assembled in Belgium, Germany, Spain and Ireland. Sales of UK-made Fords actually went down during the period.

Despite the long summer stoppage in Coventry, Talbot almost maintained its market share. Once again, sales of UK-made cars dropped, and the shortfall was almost entirely compensated for by French and Spanish imports.

Vauxhall, on the other hand, imported far fewer Cavaliers from Belgium in 1979, and sold fewer UK cars. As a result, its market share slipped to an unhealthy 6.5 percent from 8.2 percent in 1978.

Given the bare figures, production of Vauxhall cars in the UK hardly seems worthwhile—especially when importers like Datsun and Renault can top 5 percent. Perhaps significantly, Vauxhall's new chief since the middle of last year is a former Opel man, Ferdinand Beickler.

• Despite a good improvement by Opel, General Motors' share of the UK market was down from 9.7 percent in 1978 to 8.2 percent last year.

BL has no major European source on which to draw. Low output and growing public rejection of its models saw the state-owned company plummet from 23.5 percent of the market in 1978 to a mere 19.6 percent, or 337,000.

The Austin-Morris Division, with its more economical Allegro and Mini models, fell by nearly 7 percent. But the major setback was in the quality car division of Jaguar - Rover - Triumph, in which sales were slashed by a fifth. Rivals like BMW, Mercedes-Benz and Volvo surged ahead.

The company has begun its "Buy British" campaign, hoping that an appeal to consumers will win sales in what is acknowledged will be a tough year. It is also trying to recruit dealers to replace those lost to Renault, Peugeot and Volkswagen.

Broadly speaking, all importers but the Japanese and Italians had successful records. The Japanese were hampered by shipping restraints and the Italians because a metalworkers' dispute last summer held up production.

Datsun did emerge as the chief "traditional" importer. But it virtually marked time while Renault and VW made gains of 34 percent and 21 percent, respectively.

Sales figures follow:

Manufacturer	1979	1978
Alfa Romeo	13,638	13,061
BL Cars	336,984	373,793
Austin-Morris	266,778	285,787
Jaguar-Rover-Triumph	70,206	88,006
BMW	14,058	10,506
Citroen	34,015	31,957
Colt (Mitsubishi)	10,696	10,612
Daihatsu	226	—
Datsun	102,395	101,735
Fiat	70,626	72,192
Ford	485,559	392,366
General Motors	140,944	154,089
Opel	27,216	22,199
Vauxhall	112,398	130,993
Others	1,330	897
Honda	17,849	19,480
Jeep	429	352
Lada	22,270	17,974
Lancia	8,951	11,764
Lotus	697	674
Mazda	17,770	12,810
Mercedes-Benz	7,914	6,935
Panther	144	218
Peugeot	37,980	31,345
Polski-Fiat	6,530	3,605
Reliant	818	1,453
Renault	93,468	69,627
Rolls-Royce/Bentley	1,347	1,324
Saab	8,976	6,407
Skoda	10,243	9,890
Subaru	3,443	1,514
Talbot	119,433	112,562
Toyota	32,220	28,334
VW-Audi	76,288	63,222
Volvo	36,583	29,368
Others	3,781	2,270
TOTAL	1,716,275	1,591,939

Qvale named chairman of DeTomaso Industries

RED BANK, N. J. — Kjell Qvale has been elected chairman of De Tomaso Industries, Inc.

Qvale is chairman of British Motor Cars Distributors, Ltd., San Francisco, distributor of BL products, and is also vice president of Riviera Motors, a West Coast Volkswagen distributor.